AMENDMENTS TO THE CLAIMS

1. (Currently Amended) A process for multivariate data analysis comprising the steps of:

using a computer in conjunction with a Gram-Schmidt orthogonalization process to determine normal Gram-Schmidt vectors corresponding to observable normal values of a plurality of normal datum where at least one of said plurality of normal datum has <u>non-zero</u> standard deviation;

computing abnormal Gram-Schmidt vectors corresponding to observable abnormal values of a plurality of abnormal datum;

computing a signal to noise ratio for said normal Gram-Schmidt vectors and said abnormal Gram-Schmidt vectors to obtain abnormal predicted values; and

using said abnormal predicted values for a future prediction.

- (Original) The process of claim 1 further comprising the step of: computing dynamic signal to noise ratios for said normal Gram-Schmidt vectors and for said abnormal Gram-Schmidt vectors.
- 3. (Original) The process of claim 2 wherein said dynamic signal to noise ratio, η_i is equivalent to:

$$\beta_i^2/V_{\epsilon} \tag{13}$$

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where $\beta_j = \left[\sum_{i=1}^{t} M_i U_{ij}\right] / r$, M_i is the ith value of said plurality of abnormal datum, U_{ij} is selected

from the group consisting of: said normal Gram-Schmidt vectors and said abnormal Gram-Schmidt vectors, V_e is

$$\left(\sum_{i=1}^{t} U_{ij}^{2} - (1/r) \left[\sum_{i=1}^{t} M_{i} U_{ij}\right]^{2}\right) / (t-1)$$

where i is an integer between 1 and t, and j is an integer between 1 and k.

- 4. (Original) The process of claim 1 further comprising the step of: comparing said abnormal predicted values to said observable abnormal values of said plurality of abnormal datum.
- 5. (Original) The process of claim 1 wherein said observable abnormal values are assigned.
- 6. (Original) The process of claim 1 wherein said observations on k variables relates to medical diagnosis.
- 7. (Original) The process of claim 1 wherein said observations on k variables relates to quality of a manufactured product.
- 8. (Original) The process of claim 1 wherein said observations on k variables relates to financial markets.

- 9. (Original) The process of claim 1 wherein said observations on k variables relates to voice recognition.
- 10. (Original) The process of claim 1 wherein said observations on k variables relates to TV picture recognition.
 - 11. (Currently Amended) A process for multivariate analysis comprising the steps of: using a computer to calculate Gram-Schmidt orthogonal vectors satisfying the equation:

$$U_1 = (u_{11}, u_{12}, ..., u_{1n})$$

$$U_2 = (u_{21}, u_{22}, ..., u_{2n})$$

$$U_k = (u_{k1}, u_{k2}, ..., u_{kn})$$

for a sample size n and observations on k variables, wherein the mean of said Gram-Schmidt orthogonal vectors is zero;

calculating for each of said Gram-Schmidt vectors has a standard deviation, where at least one of said Gram-Schmidt vectors has a non-zero standard deviation; and

calculating a Mahalanobis distance corresponding to each of the k observations that satisfies the equation:

$$MD_j = (1/k) [(u_{1j}^2/s_1^2) + (u_{2j}^2/s_2^2) + ... + (u_{kj}^2/s_k^2)]$$

where j is an integer from 1...n.

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- 12. (Original) The process of claim 11 further comprising creating a Mahalanobis space database comprising Gram-Schmidt vector means, Gram-Schmidt standard deviations, Gram-Schmidt coefficients, and Mahalanobis distances corresponding to the k observations.
- 13. (Original) The process of claim 11 wherein said observations on k variables relates to medical diagnosis.
- 14. (Original) The process of claim 11 wherein said observations on k variables relates to quality of a manufactured product.
- 15. (Original) The process of claim 11 wherein said observations on k variables relates to financial markets.
- 16. (Original) The process of claim 11 wherein said observations on k variables relates to voice recognition.
- 17. (Original) The process of claim 11 wherein said observations on k variables relates to TV picture recognition.